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Fifty-fourth session
Agenda item 169
Financing of the United Nations Mission in East Timor

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Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the financing of the United Nations Mission in East Timor (UNAMET) (A/54/380). As indicated below, the report addresses financing needs of phase I and the preliminary requirements of phase II. It does not address phase III nor the financing matters related to the establishment of a multinational force. During the consideration of this matter, the Committee met with representatives of the Secretary-General.

2. UNAMET was established until 31 August 1999 by the Security Council in its resolution 1246 (1999) of 11 June 1999. As indicated in paragraph 2 of the report of the Secretary-General, in its resolution 53/240 of 29 June 1999, the General Assembly appropriated an amount of $52,531,100 gross ($51,340,600 net) for the Mission for the period from 5 May to 31 August 1999.

3. In its resolution 1257 (1999), the Security Council extended the mandate of the Mission (phase I) until 30 September 1999. In his letter to the President of the Security Council (S/1999/830), the Secretary-General had informed the Council of his decision to postpone the popular consultation in East Timor until 30 August 1999 and had requested authorization for a one-month extension of the mandate of UNAMET (see A/54/380, para. 3). In that connection, the Advisory Committee authorized the Secretary-General to enter into commitments in an amount not exceeding $1,897,300 gross ($1,600,500 net) to meet the revised phase I requirements of UNAMET for the additional month of September 1999, in accordance with the terms of General Assembly resolution 52/223 of 22 December 1997 on unforeseen and extraordinary expenses (see annex I).

4. In paragraph 13 of his report, the Secretary-General requests that the General Assembly approve a revised appropriation of $54,428,400 gross ($52,941,100 net) for phase I of UNAMET for the period from 5 May to 30 September 1999. The proposed revised appropriation takes into account the amount of $52,531,100 gross ($51,340,600 net) appropriated by the General Assembly in its resolution 53/240 (see para. 2 above) and the above-mentioned commitment authority granted by the Advisory Committee to the Secretary-General in an amount not exceeding $1,897,300 gross ($1,600,500 net) (see A/54/380, paras. 8 and 16).

5. Taking into account that, during phase I of the Mission's operations, paid and pledged voluntary cash contributions amount to $43,910,800 and in-kind

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contributions towards the activities of UNAMET total $3,438,700, in his report (A/54/380, para. 16) the Secretary-General requests that the General Assembly approve an assessment of $7,078,900 gross ($5,591,600 net) in connection with phase I of UNAMET. The amount of the assessment would be apportioned among Member States in accordance with the provisions of paragraph 8 of General Assembly resolution 53/240 (see A/54/380, paras. 15-16). Subsequent to the Committee's hearing on the financing of UNAMET, the Advisory Committee was informed that, since the submission of the report of the Secretary-General, there had been an additional contribution of $30,000 to the trust fund for the settlement of the question of East Timor. Furthermore, a revised operational rate of exchange had been applied to the contribution from the European Commission. Thus, the up-to-date voluntary contributions for UNAMET amounted to $47,273,400 (see annex II to the present report). Accordingly, it is proposed that the amount of $7,155,000 gross ($5,667,700 net) be assessed for phase I. The Advisory Committee recommends approval of the request of the Secretary-General that it assess an amount of $7,155,000 gross ($5,667,700 net).

6. In its resolution 1262 (1999) of 27 August 1999, the Security Council extended the mandate of UNAMET until 30 November 1999, as proposed by the Secretary-General in his report of 9 August 1999 (S/1999/862) and endorsed his proposal for modification in the tasks and composition of UNAMET for the post-ballot interim period (phase II) until the implementation phase of the results. Accordingly, UNAMET should incorporate an electoral component, a civilian police component of up to 460 personnel, a military liaison component of up to 300 personnel, a civil affairs component and a public information component (A/54/380, para. 4).

7. The Advisory Committee notes from paragraph 9 of the report of the Secretary-General that the preliminary resource requirements for phase II of UNAMET amount to $38,037,100 gross ($37,080,700 net), for the period 1 September to 30 November 1999, reflecting an overlap period of one month during September, as compared with the mandate period of phase I. The estimates for phase II comprise, *inter alia*, an increase in the civilian police component from 280 to 460 personnel and the military liaison component from 50 to 300 personnel, as authorized by the Security Council. The Secretary-General also proposes to increase the international staff by 74 posts from 242 to 316 international staff and to reduce the local staff by 3,147 posts from 3,645 to 498 local staff (A/54/380, annex II.B).

8. Annex II.B to the report of the Secretary-General shows staffing requirements for phase I of the Mission, as compared to phase II. The Advisory Committee notes that the proposed support staff includes 12 posts at Headquarters (6 P-4 and 6 General Service) (see para. 10 below).

9. The Advisory Committee notes from paragraph 10 of the report of the Secretary-General, and paragraphs 15, 23 and 25 of the annex to that report (A/54/380) that, as a result of the unsettled situation in East Timor since 4 September 1999 (see S/1999/976, annex), it has been assumed that 50 per cent of the phase I equipment would need replacement, including the fleet of vehicles, communication and workshop equipment, office furniture and equipment, data-processing equipment and various miscellaneous equipment. The Advisory Committee was informed that the Secretary-General intends to submit a further report to the General Assembly, particularly with regard to UNAMET assets, as soon as a fuller assessment of the situation is available. The Committee notes that revised estimates for the requirements of phase II of UNAMET will be addressed in the report, which will reflect developments on the ground, any subsequent decision by the Security Council and expenditure experience (A/54/380, para. 19).

10. Under the circumstances, the Advisory Committee does not recommend any reduction in the estimates of phase II of the Mission which, as indicated above, are preliminary and subject to amendment once the assessment of UNAMET needs has been completed. In this connection, the Advisory Committee requests that the provision for 12 support staff at Headquarters (see para. 8 above) be reviewed and the implications of transferring this staff to the Support Account reported to the General Assembly. Moreover, the Committee recommends that the staffing requirements of the Mission include provision for a resident auditor. The Advisory Committee recommends that the General Assembly grant the Secretary-General authority to enter into commitments in an amount not to exceed $28,037,100 gross ($27,080,700 net), pending the full evaluation of the status of UNAMET assets and facilities. This amount would be in addition to the commitment authority of $10 million granted by the Advisory Committee in its Chairman's letter to the Secretary-General dated 9 September 1999, as indicated in paragraph 18 of the report (see annex III).

11. The Advisory Committee was informed that actual performance data of UNAMET, as at 31 December 1999, would not be available until the closing of the United Nations accounts in late March 2000, and that audited financial statements would be submitted to the General

Assembly in the fall of the year 2001. In this connection, taking into account the fact that the activities of UNAMET are financed through a special account with a special scale of assessment (see A/54/380, para. 2), the Advisory Committee recommends that the Secretary-General submit performance information not later than the end of January 2000 for consideration by the Committee and the General Assembly.

Annex I

Letter dated 27 August 1999 from the Chairman of the Advisory Committee on Administrative and Budgetary Questions addressed to the Secretary-General

The Advisory Committee on Administrative and Budgetary Questions has considered the Controller's letter of 13 August 1999 seeking the Committee's concurrence to enter into commitments not exceeding $1,897,300 gross to meet the requirements of the United Nations Mission in East Timor (UNAMET) during the month of September 1999. This request has been made pursuant to paragraph 3 of General Assembly resolution 52/223 of 22 December 1997 on unforeseen and extraordinary expenses.

The Advisory Committee has no objection to the request contained in the Controller's letter.

(Signed) C. S. M. **Mselle**
Chairman

Annex II

Voluntary contributions for the United Nations Mission in East Timor (as of 27 September 1999)

		Thousands of United States dollars
I	Trust fund	
	(a) Contributions received	
	Australia	6 502.0
	Finland	526.3
	France	503.4
	Ireland	66.1
	Japan	10 110.0
	Luxembourg	79.1
	New Zealand	200.0
	Norway	503.4
	Philippines	250.0
	Portugal	10 000.0
	Republic of Korea	200.0
	Singapore	230.0
	Sweden	121.3
	United Kingdom of Great Britain and Northern Ireland	500.0
	United States of America	9 000.0
	Total	**38 366.0**
	(b) Written pledges	
	European Commission	4 968.6
	United Kingdom of Great Britain and Northern Ireland	500.0
	Total	**5 468.6**
	Total revenue	**43 834.7**
II	In-kind contributions (budgeted)	
	Australia	3 438.7
	Grand total	**47 273.4**

Annex III

Letter dated 9 September 1999 from the Chairman of the Advisory Committee on Administrative and Budgetary Questions addressed to the Secretary-General

The Advisory Committee on Administrative and Budgetary Questions has considered the Controller's letter of 7 September 1999, seeking the Committee's concurrence to enter into commitments not exceeding $10 million in connection with the maintenance of the United Nations Mission in East Timor (UNAMET). This request is made pursuant to paragraph 3 of General Assembly resolution 52/223 of 22 December 1997 on unforeseen and extraordinary expenses.

By its resolution 1262 (1999) of 27 August 1999, the Security Council extended the mandate of UNAMET until 30 November 1999 and endorsed the proposal of the Secretary-General contained in his report (S/1999/862) regarding the modification and composition of the Mission. Among other things, the Security Council authorized increases in the civilian police component from 280 to 460 personnel and the military liaison component from 50 to 300 personnel.

It is estimated that a total of $29,700,900 gross ($28,629,100 net) would be required for the tasks and structure of UNAMET authorized in the above-mentioned Security Council resolution for the period from 1 September to 30 November 1999.

The Committee notes from the letter that your report containing the overall requirements for UNAMET will be submitted to the General Assembly during the early part of its fifty-fourth session for a revised appropriation.

The Committee is aware that the present situation in East Timor is one of extreme uncertainty and that, at this stage, there is no assurance that the tasks envisaged by the Security Council for the extended mandate, as outlined in your report to the Security Council (S/1999/862), can or will be carried out. The Committee was informed that, nevertheless, recruitment of additional staff has taken place and that some are already in the mission area or will arrive there shortly. The Committee was also informed that, while staff have been evacuated from East Timor to Darwin, this is still considered to be within the mission area. The Committee is also aware that the current uncertainty can develop into either a greatly diminished or rapidly expanded United Nations role.

Under the circumstances, pursuant to paragraph 3 of General Assembly resolution 52/223, the Advisory Committee concurs in your request to enter into commitments in the amount not exceeding $10 million. In view of the current situation in the mission area, the Committee requests that it be kept informed of developments.

(Signed) C. S. M. **Mselle**
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* Reissued for technical reasons.

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